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STATE OF NEVADA
DIVISION OF MORTGAGE LENDING
DEPARTMENT OF BUSINESS AND INDUSTRY

SCOTT E. BICE
Commissioner

*****IMPORTANT INFORMATION*****

Category 6 Exemption Repealed NRS 645B.015 (6) & NRS 645E.150 (6)

MORTGAGE EXEMPTIONS FOR COMPANIES APPROVED AS A FNMA (Seller and Servicer), HUD AND VA EXPIRE 12-31-03 AND CANNOT BE RENEWED

The Division of Mortgage Lending ("Division") is notifying all companies operating under the commonly referred to Category 6 Exemption that the exemption is no longer available. Mortgage companies who are operating under the Mortgage Exemption allowed under NRS 645E.150 (6) and NRS 645B.015 (6) should review the operations of the company and take the appropriate action(s).

As a result of AB 490, in order for your company to operate in compliance with the new law (effective January 1, 2004), you must now take one of the following actions:

- File an application for a mortgage broker or banker license with the Division;
- Qualify for a "category 1" exemption under NRS 645B.015 (1) or NRS 645E.150 (1) (or one of the other exemptions described in these statutes); or
- Demonstrate in writing to the Division that your company is not conducting licensable activity.

Companies filing an application before December 31, 2003 will be allowed to continue operating during the licensing/approval process. Companies conducting licensable activity who do not have a license or exemption application filed by December 31, 2003 are not in compliance with the new law and must cease operations until the licensing/approval process is complete or may be subject to administrative action and/or fines.

Information regarding the changes in the law pursuant to the passage of AB 490 is available on our website at mld.nv.gov or by contacting the Division at (775) 684-7060. The "Frequently Asked Questions" link on our website explains how to apply for a license or a category "1" exemption. "Wholesale lenders" conducting business in Nevada should request a status determination based upon their current activities regarding a license or applicable exemption from the Division.

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